



Jeff Slattery, Superintendent
Homer Hendricks, Treasurer/CFO



Jessica Schuette, Superintendent
Kent Seemann, Treasurer/CFO



Richard Peters, Superintendent
Jenell Buenger, Treasurer/CFO



Dr. Erik Belcher, Superintendent
Michael Bostelman, Treasurer/CFO



Dr. Josh Biederstedt, Superintendent
Breanna DeWit, Treasurer/CFO

THE INCOME TAX & PROPERTY TAX CONNECTION

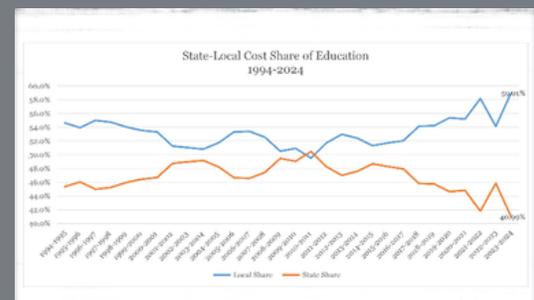
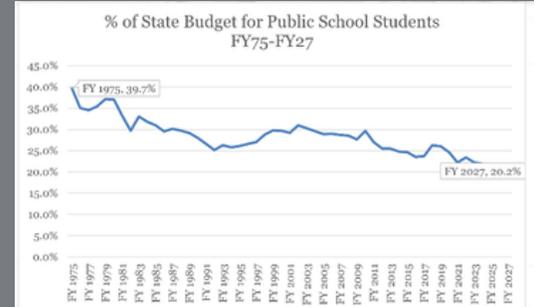
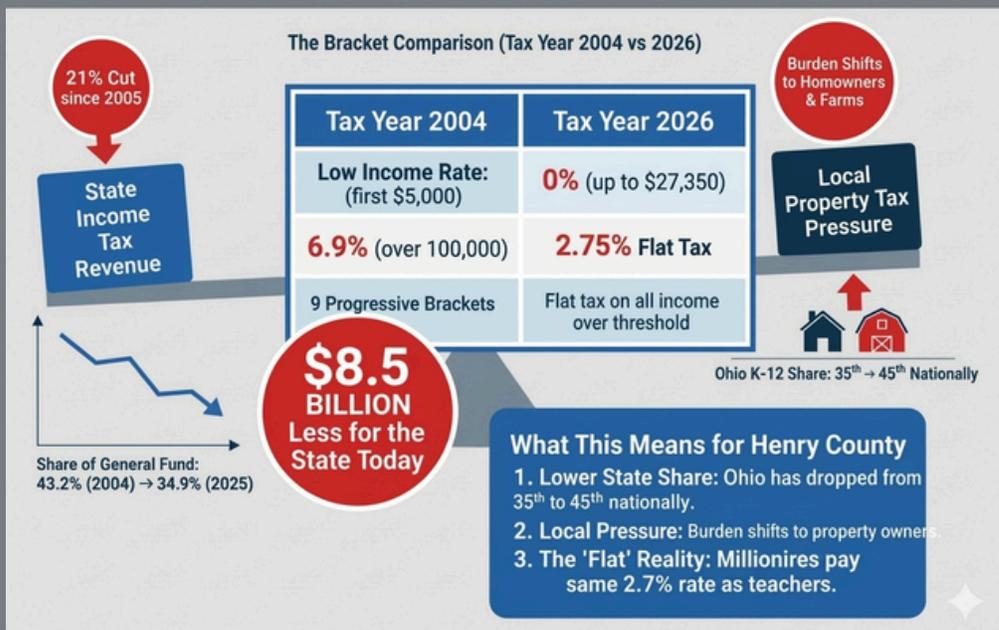
HENRY COUNTY COMMUNITY,

In our recent communications, we shared how local property taxes impact the funding for our Henry County schools and essential services. While property taxes are a critical local source of support, they are only half of the story. We want to broaden the conversation to include the state income tax. Over the last 20 years, significant changes in how Ohio collects income tax have shifted the responsibility of funding our children's education. Our goal is to help you understand how state-level tax cuts influence your local property tax bills and what those changes mean for our community.

HOW THE STATE BUDGET HAS CHANGED

For 20 years, state tax policy has moved away from income-based revenue. This changes how much the state can contribute to local schools.

- Starting in 2005, Ohio's income tax was cut by 21% over a 5-year period.
- In 2004, income tax made up 43.2% of the state's General Fund. By 2025, that share is projected to drop to 34.9%.
- If we still collected income tax at 2004 levels today, the state would have \$8.5 billion more in revenue to support services like public education.



WHAT THIS MEANS FOR HENRY COUNTY

When the state reduces its main revenue source (Income Tax), the burden of funding schools shifts.

1. Ohio has dropped from 35th to 45th nationally in the state's share of K-12 revenue.
2. Because the state is providing a smaller piece of the pie, local residential and agricultural property owners are asked to provide a larger piece to maintain the same quality of education.
3. By 2026, a person earning \$30,000 and a person earning \$1,000,000 will pay the same 2.75% rate on their taxable income over the threshold.